

CITY OF TIGARD, OREGON  
TIGARD CITY COUNCIL  
RESOLUTION NO. 07-06

A RESOLUTION ESTABLISHING SANITARY SEWER REIMBURSEMENT DISTRICT NO. 37 (SW 87<sup>TH</sup> COURT, HALL BOULEVARD)

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WHEREAS, the City has initiated the Neighborhood Sewer Extension Program to extend public sewers and recover costs through Reimbursement Districts in accordance with TMC Chapter 13.09; and

WHEREAS, the property owners of proposed Sanitary Sewer Reimbursement District No. 37 (SW 87<sup>th</sup> Court, Hall Boulevard) have been notified of a public hearing in accordance with TMC 13.09.060 and a public hearing was conducted in accordance with TMC 13.09.050; and

WHEREAS, the City Engineer has submitted a report describing the improvements, the area to be included in the Reimbursement District, the estimated costs, a method for spreading the cost among the parcels within the District, and a recommendation for an annual fee adjustment; and

WHEREAS, the City Council has determined that the formation of a Reimbursement District as recommended by the City Engineer is appropriate.

NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

SECTION 1: The City Engineer's report titled "Sanitary Sewer Reimbursement District No. 37," attached hereto as Exhibit A, is hereby approved.

SECTION 2 A Reimbursement District is hereby established in accordance with TMC Chapter 13.09. The District shall be the area shown and described in Exhibit B. The District shall be known as "Sanitary Sewer Reimbursement District No. 37, SW 87<sup>th</sup> Court and Hall Boulevard."

SECTION 3 Payment of the reimbursement fee, as shown in Exhibit A, is a precondition of receiving City permits applicable to development of each parcel within the Reimbursement District as provided for in TMC 13.09.110.

SECTION 4 An annual fee adjustment, at a rate recommended by the Finance Director, shall be applied to the Reimbursement Fee.

SECTION 5 The City Recorder shall cause a copy of this resolution to be filed in the office of the County Recorder and shall mail a copy of this resolution to all affected property owners at their last known address, in accordance with TMC 13.09.090.

SECTION 6: This resolution is effective immediately upon passage.

PASSED: This 23<sup>rd</sup> day of January 2007.

Sydney L. Sherwood

Council President, City of Tigard

ATTEST:

Catherine Wheatley  
City Recorder - City of Tigard

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**Exhibit A**  
City Engineer's Report  
**Sanitary Sewer Reimbursement District No. 37**  
**(SW 87<sup>th</sup> Court, Hall Boulevard)**

Background

This project will be constructed and funded under the City of Tigard Neighborhood Sewer Extension Program (NSEP). Under the program, the City of Tigard would install public sewers to each lot within the project area. At the time the property owner connects to the sewer, the owner would pay a connection fee, currently \$2,735, and reimburse the City for a fair share of the cost of the public sewer. There is no requirement to connect to the sewer or pay any fee until connection is made. In addition, property owners are responsible for disconnecting their existing septic systems according to Washington County rules and for any other modifications necessary to connect to the public sewer.

Project Area - Zone of Benefit

The six lots in this district are the lots that can not be served without sewer line extensions. Serving these six lots will require boring across SW Hall Boulevard to an existing sewer in SW Merlyne Court. This boring will also provide service to ten other lots along SW McDonald Street as shown on Attachment 3. These ten lots were provided with access to a main line constructed in 1992 through Reimbursement District No. 1. The downstream end of the main line was terminated at SW Hall Boulevard leaving the lots without service. This mainline will be connected to the proposed line crossing SW Hall Boulevard and will become functional. The owners will be notified when service becomes available. Reimbursement District No. 1 expired on January 21, 2002, so owners may connect to the sewer without payment of a reimbursement fee. The remaining lots on SW 87<sup>th</sup> Court already are served from an existing line to the rear of the lots and are not included in this district.

The proposed project would provide sewer service to a total of six lots within the proposed reimbursement district as shown on Exhibit Map B.

Cost

The estimated cost for the sanitary sewer construction to provide service to the six lots is \$130,392. Engineering and inspection fees amount to \$17,603 (13.5%) as defined in TMC 13.09.040(1). The estimated total project cost is \$147,994. This is the estimated amount that should be reimbursed to the sanitary sewer fund as properties connect to the sewer and pay their fair share of the total amount. However, the actual amount that each property owner pays is subject to the City's incentive program for early connections.

In addition to sharing the cost of the public sewer line, each property owner will be required to pay a connection and inspection fee, currently \$2,735, upon connection to the public line. All owners will be responsible for all plumbing costs required for work done on private property.

### Reimbursement Rate

All properties in the proposed district are zoned R-4.5 but vary in lot size from about fifteen thousand to sixteen thousand square feet as can be seen in the following list of lots. Therefore, it is recommended that the total cost of the project be divided among the properties proportional to the square footage of each property.

Other reimbursement methods include dividing the cost equally among the owners or by the length of frontage of each property. These methods are not recommended because there is no correlation between these methods and the cost of providing service to each lot or the benefit to each lot.

**Each property owner's estimated fair share of the public sewer line is \$1.58017957 per square foot of lot served. Each owner's fair share would be limited to \$6,000, to the extent that it does not exceed \$15,000, for connections completed within three years of City Council approval of the final City Engineer's Report following construction in accordance with Resolution No. 01-46 (attached). In addition to paying for the first \$6,000, owners will remain responsible for paying all actual costs that exceed \$15,000. Upon request, payment of costs that exceed \$15,000 may be deferred until the lot is developed, as provided by Resolution No. 03-55 (attached).**

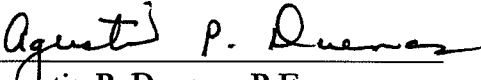
### Annual Fee Adjustment

TMC 13.09.115 states that an annual percentage rate shall be applied to each property owner's fair share of the sewer line costs on the anniversary date of the reimbursement agreement. The Finance Director has set the annual interest rate at 6.05% as stated in City of Tigard Resolution No. 98-22.

### Recommendation

It is recommended that a reimbursement district be formed with an annual fee increase as indicated above and that the reimbursement district continue for fifteen years as provided in Tigard Municipal Code (TMC) 13.09.110(5). Fifteen years after the formation of the reimbursement district, properties connecting to the sewer would no longer be required to pay the reimbursement fee.

Submitted January 9, 2007

  
Agustin P. Duenas, P.E.  
City Engineer

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**87TH COURT**  
**Reimbursement District No. 37**

*Estimated Cost to Property Owners*  
*September 1, 2006*

	OWNER	SITE ADDRESS	TAX LOT ID	AREA (S.F.)	AREA (AC)	ESTIMATED REIMBURSEMENT FEE	AMOUNT TO BE PAID BY OWNER	AMOUNT TO BE PAID BY CITY	AMOUNT THAT CAN BE DEFERED BY OWNER
1	GARDNER RICHARD A	13940 SW 87TH CT	2S102DD00809	16175.35075	0.371	\$25,560	\$16,560	\$9,000	\$10,560
2	BOGAN REGINALD & SUSAN H	13855 SW HALL	2S102DD00801	14697.75398	0.337	\$23,225	\$14,225	\$9,000	\$8,225
3	CURTIS FAMILY TRUST	13960 SW 87TH CT	2S102DD00808	15426.11273	0.354	\$24,376	\$15,376	\$9,000	\$9,376
4	BOSSHARDT AURTHUR A	13915 SW HALL BLVD	2S102DD00802	14976.41384	0.344	\$23,665	\$14,665	\$9,000	\$8,665
5	CURTIS FAMILY TRUST	13905 SW 87TH CT	2S102DD00812	16443.5323	0.377	\$25,984	\$16,984	\$9,000	\$10,984
6	CURTIS FAMILY TRUST	13935 SW 87TH CT	2S102DD00813	15937.57553	0.366	\$25,184	\$16,184	\$9,000	\$10,184
			<b>Totals</b>	<b>93657</b>	<b>2.15</b>	<b>\$147,994</b>	<b>\$93,994</b>	<b>\$54,000</b>	<b>\$57,994</b>

**87TH COURT**  
**Reimbursement District No. 37**

*Estimated Cost to Property Owners  
Summary  
September 1, 2006*

<b>Estimated Construction Cost</b>	<b>\$113,384</b>
15% contingency (construction)	\$17,008
<b>Estimated construction subtotal</b>	<b>\$130,392</b>
13.5% contingency (Admin & Eng)	\$17,603
<b>total project costs</b>	<b>\$147,994</b>
total area to be served (S.F.)	93,657
total cost per S.F. to property owner	<b>\$1.58017957</b>

The "estimated cost to property owner" column shows the estimated reimbursement fee each owner is required to pay to connect to the sewer. There are no requirements to connect to the sewer or pay any fees until the owner decides to connect to the sewer. The final reimbursement fee will be determined once construction is complete and final costs are determined.

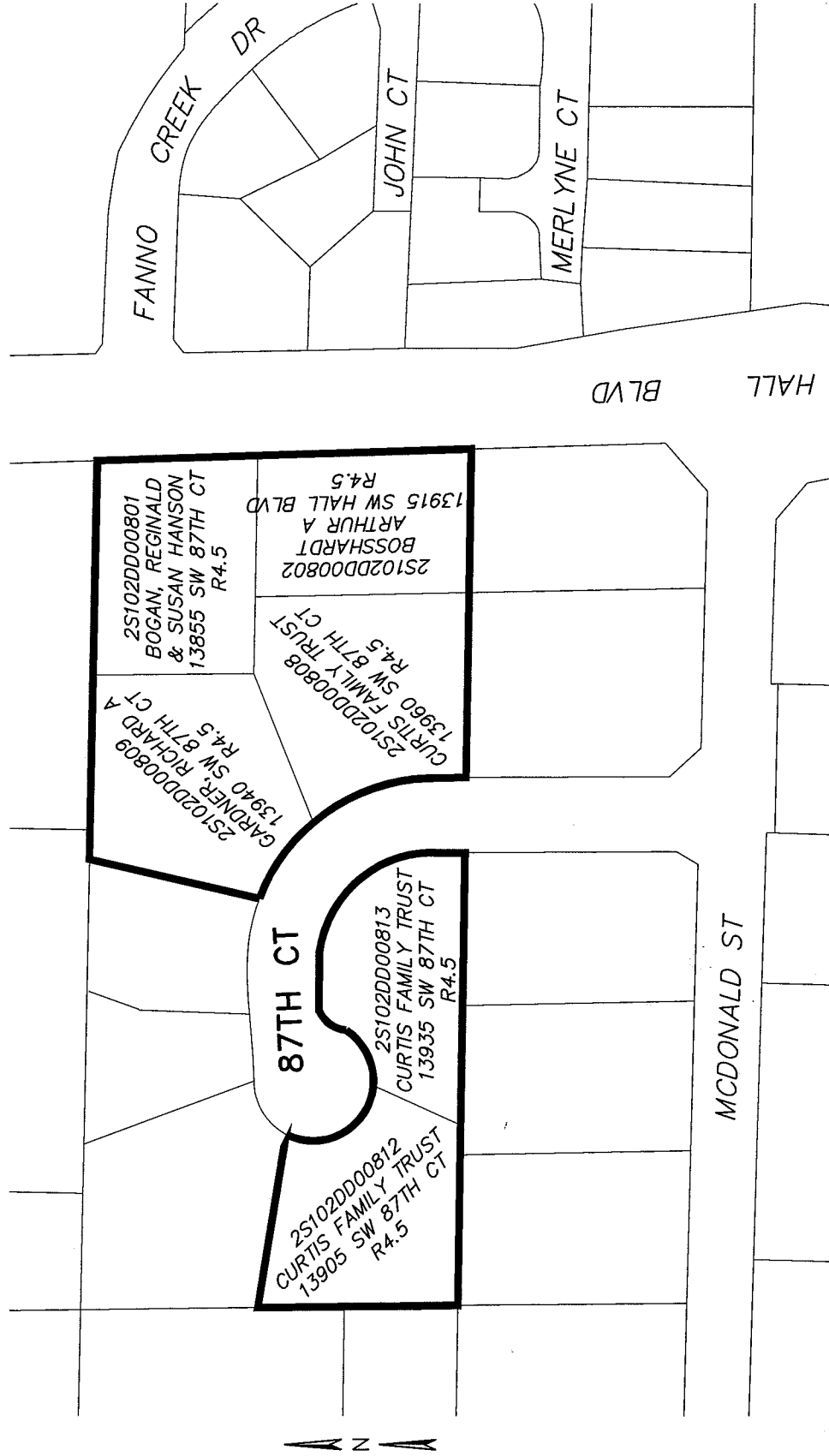
The amount each property owner will be required to pay will be limited to \$6,000 for connections completed within three years of City Council approval of the final City Engineer's Report following construction, in accordance with Resolution 01-46. This amount is shown in the "paid by owner" column. The remaining portion of the reimbursement fee that the owner will not be required to pay during this three year period is shown in the "paid by city" column.

Please note that this resolution also requires the owner to pay any fair share amounts that exceed \$15,000. Consequently, if the final fair share for an owner exceeds \$15,000, the owner would be required to pay \$6,000 plus the amount the fair share exceeds \$15,000. Under Resolution 03-55, payment of the amount in excess of \$15,000 may be deferred until the owner's lot is developed.

The owner would also be required to pay a connection fee, currently \$2,735, at the time of connection to the sewer. In addition, property owners are responsible for disconnecting their existing septic system according to Washington County rules and for any other modifications necessary to connect to the public sewer.

These costs are as presented during the Neighborhood Meeting and will be revised once construction is completed and final costs are determined.

87TH COURT  
 FY 2006-07 SANITARY SEWER EXTENSION PROGRAM  
 REIMBURSEMENT DISTRICT NO. 37  
 A PORTION OF THE SW 1/4 SECTION 2 T2S R1W W.M.



**NOTE:**  
 All properties in the reimbursement district are zoned R4.5

**EXHIBIT B**  
 NTS